

OFFICE OF INSPECTOR GENERAL

PURPOSE OF THE APPROPRIATION

This is an annual appropriation supporting agencywide audit and investigative activities to promote economy and efficiency and to detect and prevent waste, fraud, and abuse. Funds are available for obligation only in the year for which they were enacted.

AUTHORITY FOR THE PROGRAM

The Office of Inspector General was established pursuant to the Inspector General Act of 1978, P.L. 95-452.

HISTORY OF THE PROGRAM

Over the years, GSA's audit and investigatory functions have been organizationally and financially supported in various ways. They were included as part of the Office of Administration (OAD) until 1968, when the Office of Audits and Compliance was established as a separate budget activity under the Administrative Operations (AO) Fund; the activity title was changed to "Audits and Investigations" in 1970. Effective July 15, 1972, this office was abolished, and separate Offices of Audits and Investigations were established in OAD. In 1973, the audits function was reflected as a separate activity of the AO Fund, but Investigations remained under OAD.

In 1975, after termination of the AO Fund, the audits function became a budget activity under the new General Management and Agency Operations (GMAO) appropriation, while investigations remained funded as part of OAD under a second successor appropriation, Administrative and Staff Support Services (ASSS). Effective with 1978, GSA Order ADM 5440.106 of July 22, 1976 established the Office of Audits and Investigations in the Office of the Administrator. Entirely funded under GMAO, the new office consisted of the audit function, already under GMAO; the Office of Investigations, transferred from OAD; and real property investigative functions previously funded under ASSS by reimbursements from the Public Buildings Service.

The Office of Audits and Investigations became the Office of Inspector General (OIG) after passage of the Inspector General Act of 1978. In order to ensure the autonomy presumed by that Act, Congress created a separate appropriation as part of the 1979 Supplemental Appropriations Act. During 1979, OIG was funded under both GMAO and the new appropriation, Office of Inspector General. Since then, OIG has been wholly supported by its own separate appropriation.

In recent years, new activities have been added to basic OIG statutory responsibilities, primarily from the Federal Managers Financial Integrity Act. Such GSA initiatives as outleasing of vacant Federal office space, expended real property disposals, and service delivery enhancements have also placed significantly increased demands on OIG programs and resources. When the Office of Policy and Management Systems was abolished in 1985 by GSA Order ADM 5440.333, the oversight, review, and evaluation functions of the former Office of Program Oversight and its Program Evaluation Division were also transferred to OIG.

In 1987 and 1988, the OIG contracted with Mitre, a not-for-profit consulting establishment, to assist in developing a long-range ADP strategic plan. This effort clearly demonstrated that OIG ADP needs were not being met with existing equipment, and led to a program for the acquisition, over a period of years, of microcomputer-based workstations and off-the-shelf software.

DESCRIPTION OF BUDGETARY ACTIVITIES

The OIG does not have a formal budget activity structure; the external budget distinguishes only direct from reimbursable costs. Its activities, however, can be broadly categorized as follows:

1. Contract audits, which provide contracting officers with professional advice on accounting and financial matters related to contract negotiation, award, administration, repricing, and settlement.
2. Internal audits, which deal with all facets of GSA operations.
3. Investigations, providing for the detection and investigation of improper/illegal activities against GSA by its employees, vendors doing business with the agency, and by other individuals or groups.
4. Other Management Activities, such as implementing a long-range ADP strategic plan.

DEVELOPMENT OF APPROPRIATION LANGUAGE

The initial language for a separate IG appropriation appeared in the 1979 Supplemental Appropriation Act:

"General Management and Agency Operations

Office of Inspector General

To establish and fund, "Office of Inspector General, \$1,700,000."

The first complete language appeared in the 1980 Treasury, Postal Service, and General Government Appropriations Act. Language as it appeared in the FY 1998 Act is as follows:

"Office of Inspector General

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, \$_____ : *Provided*, That not to exceed \$10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed \$2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness."

BUDGETARY HISTORY OF APPROPRIATIONS
\$(Thousands)

Fiscal -- <u>Year</u>	Estimate <u>To OMB</u>	Presidents <u>Allowance</u>	House <u>Bill</u>	Senate <u>Bill</u>	-----Appropriations Enacted-----		
					<u>Amount</u>	<u>P. L.</u>	<u>Date</u>
1979	(Included as part of GMAO appropriation)				(8,694)		
Suppl	1,700	1,700	1,700	1,700	1,700	96-38	7/25/79
1980	--	--	--	18,874	18,874	96-74	9/29/79
Suppl	860	860	--	860	--	--	--
Furniture Rescission				- 41	96-304	7/8/80	
1981	22,600	21,596	21,250	21,913	Cumulative Con Res: <u>1/</u> 4,777	96-369	10/1/80
					15,300	96-536	12/16/80
					21,250	97-12	6/5/81
1982	24,191	20,131	20,131	(20,131)	Cumulative Con Res: <u>3/</u> 2,818	97-51	10/1/81
Revised		17,715 <u>2/</u>	--	17,715	4,167	97-85	11/23/81
					9,557	97-92	12/15/81
					17,006	97-161	3/31/82
Urgent							
Suppl	500	500	--	500	500	97-216	7/18/82
Pay Suppl	677	677	677	677	677	97-257	9/10/82
1983	19,764	19,764	19,500	18,500	Cumulative Con Res: <u>4/</u> 4,070	97-276	10/2/82
					18,500	97-377	12/21/82
1984	19,513	19,513	19,513	19,513	19,513	98-151	11/14/83
1985	21,100	21,473	21,473	21,473	21,473	99-473	10/12/84
<u>5/</u> Rescission	- 35	- 35	- 35	- 35	- 35	99-88	8/15/85
1986	24,425	19,369 <u>6/</u>	19,305	19,305	19,305	99-190	12/19/85
Sequester <u>7/</u>	--	--	--	--	- 858		
1987	20,458	21,108	21,108	20,000	21,108	99-591	10/31/86
Suppl for pay/FERS	--	--	373	373	373	100-71	7/11/87
1988	22,728	24,649	24,649	24,334	24,334	100-202	12/22/87
1989	26,700	25,400	25,400	25,000	25,000	100-440	9/22/88
1990	27,949	26,500	26,500	26,500	26,500	101-136	11/3/89
Sequester <u>7/</u>					- 364		
1991	38,979	30,139	30,997	30,139	30,997	101-509	11/5/90
1992	35,994	35,994	34,994	35,994	35,994	102-141	10/28/91
1993	36,172	34,748	34,748	34,748	34,748	102-393	10/6/92
1994	34,925	34,925	34,925	34,925	34,925	103-123	10/28/93
1995	33,090	33,259	33,090	33,090	33,090	103-329	9/30/94
1996	34,407	24,407	32,549	34,000	33,274	104-52	11/19/95
1997	33,863	33,863	33,274	33,863	33,863	104-208	9/30/96
1998	33,870	33,870	33,870	33,870	33,870	105-61	10/10/97

1/ First two continuing resolutions provided authority through 12/15/80 and 6/5/81, respectively; P.L. 97-12 Supplemental extended authority to 9/30/81. By terms of the ConRes, annual availability was the House level, when only the House had passed the bill (as was the case here).

2/ Subsequent to House passage and initial Senate action, the President reduced his budget request for most discretionary accounts by 12%; final Senate action reflected the reduced request.

3/ Annual availability under the ConRes was the lower of House or Senate, further reduced by 4 percent.

4/ Annual availability under the ConRes was the lower of House or Senate amounts.

5/ Sec. 2901 of the Deficit Reduction Act of 1984, Pub. L. 98-369, required specific governmentwide reductions in travel, consultants, public affairs, and printing; OMB was to determine each agency/account share of the total reduction. OMB initially proposed \$258 thousand as the OIG prorata share, but later agreed that only \$35 thousand should be rescinded to avoid impacting travel in support of criminal investigations.

6/ Includes \$64 thousand amendment to restore a proposed 5% pay reduction; it was not considered by the House or Senate.

7/ Cancellation of budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, P.L. 99-177 (Gramm-Rudman-Hollings).

FUNDS AVAILABLE, OBLIGATIONS, AND OUTLAYS \$(Thousands)						
<u>Fiscal Year</u>	<u>Approp- riations</u>	<u>Transfers</u>	<u>Total Availability</u>	<u>Obligations</u>	<u>Unoblig. Balances</u>	<u>Outlays</u>
1979	10,394 <u>1/</u>	--	10,394	8,990	1,404	8,633
1980	18,833	- 588 <u>2/</u>	18,245	15,775	2,470	15,244
1981	21,250	- 444 <u>3/</u>	20,806	19,665	1,141	19,841
1982	18,131	--	18,131	18,074	109	17,973
1983	18,500	700 <u>4/</u>	19,200	18,351	849	17,759
1984	19,513	173 <u>5/</u>	19,686	19,568	118	19,356
1985	21,438	-177 <u>6/</u>	21,261	21,032	229	20,204
1986	18,447	840 <u>7/</u>	19,287	19,045	242	19,610
1987	21,481	200 <u>8/</u>	21,681	21,137	544	19,747
1988	24,334	--	24,334	23,960	374	24,278
1989	25,000	--	25,000	24,843	157	24,901
1990	26,136	260 <u>9/</u>	26,396	25,795	601	25,896
1991	30,997	--	30,997	30,570	427	29,035
1992	35,994	- 103 <u>10/</u>	35,891	34,037	1,854	35,888
1993	34,748	--	34,748	34,074	674	32,996
1994	34,925	--	34,925	34,640	285	36,368
1995	33,090	--	33,090	32,716	374	32,037
1996	33,274	--	33,274	32,517	757	33,820
1997	33,863	--	33,863	32,915	948	32,874

1/ \$1,700 thousand direct supplemental appropriation, plus \$8,694 thousand included under GMAO.

2/ \$540,000 transferred to S&E, ASSS for Human Resources and Organization Security Division, and \$48,000 transferred to S&E, GMAO for Acquisition Policy staff support.

3/ Transferred to OE, FSS to cover part of increased pay costs, as directed in P.L. 97-12.

4/ For pay increase costs, by transfer from OE, FPRS.

5/ Includes functional transfer of \$23 thousand from OIRM for payments for data systems support, and \$150 thousand transfer from GMA under transfer authority.

6/ Transferred to National Archives and Records Administration when NARA became independent.

7/ Transfer of \$650 thousand from GMA for former Office of Policy and Management Systems functions; and reprogramming under transfer authority of \$190 thousand from OE, FPRS to lessen impact of sequester.

8/ Reprogramming under transfer authority from OE, IRMS.

9/ \$110,000 from FPRS, \$75,000 from OE, FSS, and \$75,000 from OE, IRMS pursuant to reprogramming authority in P.L. 101-136, 11/3/89.

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Portion of travel funds not available pursuant to sec. 523A of P.L. 102-141.

EMPLOYMENT DATA				
<u>Fiscal Year</u>	<u>Permanent Positions</u>	<u>Average Employment</u>	<u>Average GS Grade</u>	<u>Average GS Salary</u>
1979	374	288	10.6	\$ 23,394
1980	526	436	10.6	24,908
1981	518	528	11.0	28,340
1982	416	455	11.2	30,541
1983	392	404	11.3	31,355
1984	418	419	(Data no longer shown in budget)	
1985	373	398		
1986	341	361		
1987	424	364		
1988	419	424		
1989	424	421		
1990	400	411		
1991	399	401		
1992	428	441		
1993	410	411		
1994	396	400		
1995	353	356		
1996	317	319		
1997	289	291		